FD-302 (Rev. 10-6-95)



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## FEDERAL BUREAU OF INVESTIGATION

Date of transcription 01/15/2006

At approximately 7:34 p.m. on 01/10/2006, Michael A. Briere was arrested by the FBI at 814 Gold Mine Trail, Fairbanks, Alaska. Agents transported Briere to the Fairbanks Police Department, 911 Cushman Street, Fairbanks, Alaska. At the time of his arrest, agents told Briere he had been indicted by a federal grand jury and was under arrest for wire fraud.

SA Vanderploeg advised Briere of his Constitutional rights using an FBI Advice of Rights form. SA Vanderploeg asked Briere if he understood his rights and Briere said he did. Briere agreed to answer questions and signed an FBI Advice of Rights form.

Briere provided the following information:

Sometime in May 2003, Briere was hired by Karl Pasch to perform some database programming for Pasch's business and to perform database repairs on an old RTF database. Pasch owns The Music Man in Anchorage, Alaska. The Music Man used a Data Perfect database to manage customer records and Pasch wanted to add functionality to the reports generation features of the database. Pasch also wanted Briere to add new billing methods to automate recurring credit card charges and to link the Data Perfect database with IC Verify. IC Verify is an automated credit card billing software package. Briere explained IC Verify dials a merchant processor via a phone line. Once connected to the processor, the program takes a text file containing credit card data and uses it to process credit card The specific phone number, merchant number, and transactions. other validation numbers are contained within the program. These numbers come pre-loaded with the software but they can be changed within the software.

Pasch and Briere negotiated a verbal contract and Pasch agreed to pay Briere around \$50 per hour for his services. At the start of this contract, Briere was living in Fairbanks at 421 Ash Street. Briere worked both at The Music Man store and at home. He made a backup of the Data Perfect database and installed it and the IC Verify software onto a personal laptop computer in order to work on the project at home. Briere described this laptop as a Gateway and said he later abandoned

at Fairbanks, Alaska 01/10/2006 Investigation on

File # 258C-AN-14038

Date dictated

SA Clark Harshbarger SA Alan Vanderploeg (av)

This document contains neither recommendations nor conclusions of the EDI. It is the account of the EDI.

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it in a storage space in Anchorage. Briere also may have installed the Data Perfect and IC Verify programs on a computer under the control of Lisa O'Brien. He did this to make it easier to make and obtain backups of The Music Man data. Briere completed the work he was hired to do a few months later and Pasch paid him as agreed.

While still living in Fairbanks, Briere came up with the idea to use the IC Verify software to place refunds onto his credit card. He conducted these transactions from his laptop computer. He had previously installed The Music Man's copy of IC Verify onto his laptop and The Music Man's validation and connection information was already loaded into the software. Briere created a text file containing his name and credit card numbers and then ran IC Verify to process these transactions. Briere explained he started out small and then got out of control running these fraudulent transactions. Briere ran each of these transactions manually and he did not set up any type of automatic transactions. Briere ran transactions that applied "refunds" to an Orchard Bank credit card and a PayPal credit card. Briere pointed out to the agents that both of these credit cards were currently in his wallet. Briere ran one of these transactions at 421 Ash Street in Fairbanks and he then moved to an apartment on East 15th Avenue in Anchorage. He continued running these transactions at this location in Anchorage. This continued for several months. Briere used random dollar amounts to avoid detection and suspicion. else knew about the transactions and Briere acted alone. Sometime around August 2004 the transactions stopped going through. Briere figured somebody had caught on to the scheme so he stopped trying to run the transactions. The laptop he used quit working after his boyfriend at the time threw it during a fight. Briere placed the laptop in a storage space in Anchorage along with the rest of his property. At some point he lost interest in this property and abandoned it. No current computers have the IC Verify software installed on them. denied ever using any of The Music Man's customers' information in furtherance of any schemes and he has not committed any form of identity theft.

Briere admitted he smokes marijuana but he denied ever using heroin, cocaine or other hard core drugs. He did not run the fraudulent transactions to buy drugs. He used the money from the transactions for day-to-day living expenses.